



MODEL PARTNERSHIPS FOR IMPACT

THE WEINGART FOUNDATION AND MOMS ORANGE COUNTY

2016

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About Independent Sector

Independent Sector is the leadership network for nonprofits, foundations, and corporations committed to advancing the common good. Our nonpartisan coalition's networks collectively represent tens of thousands of organizations and individuals locally, nationally, and globally.

Our Vision & Purpose

We envision a world of engaged individuals, robust institutions, and vibrant communities working together to improve lives and the natural world, and strengthen democratic societies. To help create this future, we lead and catalyze the charitable community, partnering with government, business, and individuals to advance the common good.

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Independent Sector (IS) works to enhance grantee and funder organizations to ensure both are effectively helping society's most vulnerable populations. From Independent Sector's cornerstone Building Value Together Initiative, which outlined practices to help foundations and nonprofits achieve successful outcomes, to Charting Impact to Threads, IS has addressed how nonprofits and foundations can have healthier relationships with one another and best fulfill their organizational missions to strengthen the communities they serve.

IS is committed to being responsive to the sector and the knowledge gleaned during our 15 cross-country Threads conversations with 80 partner organizations. In every city IS visited, one consistent impediment to meeting mission was raised: the strained relationships between grantees and funders. IS seeks to respond to what we heard by building upon previous work by IS and others, and adding to the depth of knowledge needed to move grantee/funder 'power dynamics' in a more productive direction.

Our first contribution to this conversation is a series of eight case studies, featuring grantee and funder pairs, who exemplify healthy relationships and illuminate the practices and behaviors that contribute to a positive power dynamic.



By investing in organizations, rather than programs or projects, results can have lasting impact in communities.

“Other foundations support capacity building grants but Weingart is unique in its support of ‘full cost funding’ and commitment to providing resources for results-based programming and organizational strength. Weingart is the gold standard,” says Pamela Pimentel, RN, chief executive officer, MOMS Orange County.

As a three-time grantee of the foundation, she would know. “We are partners in our work. Our relationship is ongoing because the change we both want to see is ongoing. Our relationship continues regardless of funding.”

From the results of their Center for Effective Philanthropy Grantee Perception Report, it appears Pimentel is correct. The Weingart Foundation (Weingart), who in 2016 offered about 70% unrestricted giving and 30% capital funding to southern California nonprofits, has an application process open to unsolicited requests throughout the year with no deadlines. As part of the Foundation’s annual planning process, Weingart leadership and staff conduct “listening tours” with nonprofit leaders to inform themselves of the issues which most impact the needy of southern California and this informs the foundation’s grantmaking strategy. A site visit is conducted for nearly every request over \$25,000 and Weingart has a due diligence process through which they conscientiously balance the need for rigor, openness, and respect.

“You don’t have to be a prior grantee to apply for unrestricted funds,” says Belen Vargas, vice president of programs for Weingart. “At this point, we do not

have a cap on how many times an organization can apply for a multi-year unrestricted operating support (UOS) grant. We do ask organizations to take one year off after two consecutive funding cycles, or after receiving four years of unrestricted funding, before they reapply. This helps us manage our unrestricted dollars. We want to help build the capacity and effectiveness of our nonprofit partners and our UOS program is our primary strategy to achieve this goal. The demand for our UOS dollars is high, but at this point, we will continue to consider and award a UOS grant to any applicant that meets our UOS guidelines and criteria.”

In the 16 years Pimentel has led MOMS Orange County (MOMS), she has seen the difference Weingart’s investment in building capacity can make. “When I came to MOMS, we had 10 staff, a budget of about \$500,000 and served about 1,000 women by helping them apply for Medi-Cal, attend prenatal classes, and receive one or two home visits. Today, we are a \$5 million-a-year organization, have over 50 staff, and serve 3,600 mothers and babies a year with a comprehensive case management home visitation program.” The mission of MOMS Orange County is to help mothers and their families have healthy babies by providing health coordination, education, and access to community services. It was founded in 1992 and grew out of a public-private partnership created to help solve a severe prenatal care crisis in Orange County. Today, it provides access to prenatal care, health screenings, health education, and referral services to low income pregnant women and their babies in underserved communities in Orange County. Their services are offered at no cost to those who qualify.¹ About 10% of MOMS’ budget comes from foundation grants and about 15% of that was funded by Weingart in 2014 and 2015.

Prior to her tenure as chief executive officer of MOMS, Pimentel was a vice president for a corporate healthcare company. “In 1999, I decided to take the leap into the nonprofit world because I wanted to fulfill my personal passion of positively impacting the health of mothers and babies, and not just positively impacting the bottom line for the stock holders. The irony of coming to the nonprofit world is that I am obsessed with the bottom line, but it is for my community, my clients, and my staff and not for corporate profit margins.” About a year and a half into her job, she hired a director of development who

was familiar with Weingart and set up a meeting before funding was even on the table. “I wanted to get to know them and ensure there was mission match. Compatibility is important and you only get that from getting to know them.”

The Weingart Foundation was founded in 1951 by Ben Weingart, a real estate investor who is credited with building the City of Lakewood in Los Angeles County.² Its mission is to build a better Southern California by supporting nonprofit organizations to more effectively serve the underserved.³ The foundation’s current assets are about \$750 million⁴ and in FY2016 it is expected to pay out \$37 million through nearly 400 grants. The shift to offer unrestricted funding was introduced at the height of the 2009 recession.

“We have long-standing work as a grantmaker in our region which has allowed us to know the community. When we saw the changes in public funding and budget cuts, we realized that what our nonprofit partners needed was no longer program or project funding – which is what Weingart had historically provided. Rather, what organizations needed more than ever was unrestricted funding to allow them to continue to serve the underserved and achieve their mission,” says Vargas.

1. “About MOMS Orange County.” MOMS Orange County. Accessed July 11, 2016. <http://www.momsorangecounty.org/about/>.

2. “Ben Weingart.” Weingart Foundation. Accessed July 11, 2016. <http://www.weingartfnd.org/ben-weingart>.

3. “Weingart Foundation | Home.” Weingart Foundation. Accessed July 11, 2016. <http://www.weingartfnd.org/Mission-Practice-and-Values>.

4. “Foundation Overview.” Weingart Foundation. Accessed July 11, 2016. <http://www.weingartfnd.org/Foundation-Overview>.

While this practice makes a difference to those nonprofits within their portfolio, Weingart eyes a larger impact on all nonprofits within southern California. “There are some issues which foundations must prompt, because nonprofits cannot be the messenger,” says Fred Ali, president of Weingart. “Full cost recovery is one of those issues. Nonprofits need to better understand their full costs and foundations need to understand how big that gap can be.” Weingart, in partnership with the California Community Foundation (CCF) and The Nonprofit Finance Fund, has launched a pilot with twelve grantees that Weingart and CCF share in common so both can gain a shared understanding of how to calculate full cost funding and how to engage in an honest conversation in order to advocate and support full cost funding. Their collective aspiration is not only to better inform how the foundations may need to consider altering its practices and policies to cover those costs, but also how local and state government can improve their grantmaking and contracting with the nonprofit sector.

The Work of the Relationship

The longstanding partnership of Weingart and MOMS is grounded in a shared vision for a better California. “My vision of success is every time a healthy baby is born to an at-risk mother. That is true success. [Weingart] gets ROI when we improve health outcomes of those who are the most vulnerable. When we have the capacity to enroll any mom who wants to be in our program then both of our missions are fulfilled,” says Pimentel.

Vargas echoes this sentiment.

“Our most direct unit of impact is the nonprofit organization. Did our support help contribute to this organization being more effective? Did our unrestricted support allow this organization to do its work and build a stronger infrastructure to achieve its mission? That is success for us.”

For each funding engagement, MOMS and Weingart came up with agreed upon goals, but both believe those goals are a baseline for learning.

“We don’t approach a partnership from the point of view of ‘when things go wrong’ because we know that goals are complex and the unknown will always come up. We are very realistic because every staff person at Weingart has worked in the nonprofit sector prior to working in philanthropy. We are about the plan and the strategy. If partners can articulate a plan that is thoughtful, well-developed, and realistic, we are likely to support them,” says Vargas.

That has been Pimentel’s experience with Weingart as well.

“We know that when things do not go as planned, it is generally because of things we have no control over. We strive to be proactive and when we start seeing indicators that things are going awry, we develop a plan [with Weingart] together. In order to do that you have to be willing to say what didn’t work, why you think that it happened, and what you will do about it. Plus you need to be open to their suggestions. I never hesitate to have those conversations [with Weingart].

We have had three different multi-year grants and worked with four different Weingart staff and it was always clear they knew us, they had read our reports, and would support us in our work.”

Vargas continues, “Over time, I think nonprofits have learned that a strong proposal to Weingart requires that the organization is able to articulate its priorities and plans for building and strengthening its organizational capacity and for what purpose. This is a very different conversation than funding programs. We want to support whatever our grantees need to be more effective as an organization. What and how they do that is up to them.”

The Impact of the Relationship

In 2012, MOMS partnered with the University of California, Irvine Program in Nursing Science to conduct a scientific analysis to determine whether or not their maternal-child home visitation model of care had an impact on birth outcomes in an at-risk population. After two years of analysis, MOMS can say that there is a positive association with the number of prenatal home visits and birth outcomes. In March 2016, its results were published in the peer-reviewed journal, “The American Journal of Maternal/Child Nursing.”

Weingart is delighted to see movement of other funders into the unrestricted space. Vargas explains, “I know some funders have said it is too hard to assess the impact of unrestricted support and that programmatic outcomes are easier. But our hope is by building and sharing our new learning and assessment framework and initial findings, we will all be able to better understand the impact of unrestricted operating support on strengthening organizational effectiveness.”

The Future of the Relationship

Recently MOMS conducted about 18,000 home visits and wants to see its footprint expand over the next five years. “I want every eligible woman in Orange County to be offered our services and, using business jargon, I want to ‘saturate the marketplace.’ We are at about one-third right now and I want to continue to build our population health model. We are poised to shift and adapt and I think Weingart is too. As long as Weingart allows us to engage, I believe we will work together,” says Pimentel. “Since our mission is to support and strengthen the capacity and effectiveness of our local nonprofit sector working with the most vulnerable, I can see us continuing our partnership with MOMS for many more years to come,” says Vargas.



SECTOR LEARNING

This is one of a series of case studies that grounds IS' larger post-*Threads* power dynamic work by providing the cornerstone for a set of prototype tools to help aid the transfer of healthy behaviors, practices, and conditions from one relationship to another. This case study reflects a number of transferable behaviors, practices, and conditions, including but not limited to:

- **Investment in organizations, not programs or projects.**
Weingart's commitment to building more effective organizations gave MOMS the flexibility to determine what that meant to them. They were able to leverage this flexibility not only to expand their reach, but also to conduct scientific research to validate their model.
- **Grounded in shared vision and goals. Both organizations want to see improved lives for vulnerable populations in Southern California.**
For MOMS, that is a specific focus on at-risk mothers and babies and for Weingart, it is ensuring MOMS has the internal capacity to achieve that goal.
- **Focusing on the desire to learn.**
MOMS and Weingart share the understanding that the desired goals specified in each engagement are a baseline for learning rather than a basis for punitive assessment.
- **No cap on how long funding will last.**
As long as an organization can meet Weingart's criteria, they are open to funding them. Effective organizations never stop building or strengthening their capacity.
- **Retaining a nonprofits' right to be responsive to issues in the communities in which they are working.**
Weingart's measure of success is the extent to which it has increased an organization's effectiveness in serving its community. Providing grantees flexibility allowed MOMS to adapt to the changing needs of their communities. This means trusting the organization to know how to achieve its goals.
- **Developing grant strategies and programs that are responsive to the real needs of nonprofits.**
Weingart believes that funders are most effective when they solicit and incorporate feedback from grantees and applicants into their grantmaking plans. Weingart develops an annual program plan that is informed by engaging the nonprofit to better understand its needs, challenges, and opportunities.

METHODOLOGY

Through a variety of sources, including, but not limited to, IS' Power Dynamic Advisory Group recommendations and IS member suggestions, we identified a universe of 112 potential examples of healthy grantee/funder relationships. From this initial universe, 40 nonprofits and foundations, constituting 20 pairs who believed they had healthy relationships, were interviewed via telephone for 45 minutes each between May 20 and June 15, 2016. Grantee and funder interviews were conducted separately so alignment between pairs could be better assessed.

All case studies were evaluated against the following set of criteria developed in partnership with IS' Power Dynamic Advisory Group. For the purpose of this work, a healthy relationship was defined as:

1. Alignment between the grantee/funder responses.
2. Embodying a relationship that is authentic/honest, representing the opportunities and challenges which come with partnership.
3. Discussing, at all or with some frequency, both productive and unproductive aspects to partnership.
4. Having jointly developed terms of the relationship/what the future looks like.
5. Illustrating demonstrative impact in their communities as a result of their work together.

Other factors which may have been considered in the determination of the final case studies, but did not rise to the level of required criteria were: (1) IS membership status; and (2) availability of the Center for Effective Philanthropy Grantee Perception Report (GPR - *the GPR provides funders with comparative, actionable feedback from their grantees based on responses to a customizable online survey*).

Each case study selected represents the experience of the specific individuals who participated in that particular grantee/funder pair. It is only meant to represent that individual relationship. The collection of case studies was selected to represent the diversity of the sector. This diversity includes but is not limited to: size of the organization's scale of investments, geography, and focus of organization. In showcasing a range of relationships within the sector, it illustrates the differences which make our sector fundamental to providing a vital voice to our most vulnerable populations.

The views expressed in this case study reflect the experience of those interviewed and not the views of IS. Each case study was chosen based on a series of criteria and evaluated by a panel of nonprofit and philanthropic sector professionals.



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